



WISCONSIN

DEPARTMENT OF WORKFORCE DEVELOPMENT

Division of Economic Support

Bureau of Welfare Initiatives

**TO: Economic Support Supervisors
Economic Support Lead Workers
Training Staff
FSET Administrative & Provider Agencies
Child Care Coordinators
W-2 Agencies**

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Non W-2 ☒ **W-2** ☒ **CC** ☒

PRIORITY: High

SUBJECT: STATE SALES TAX REBATE

CROSS REFERENCE: 1999 Wisconsin Act 10
FS Handbook, 11.4.29 & 12.2.11.

EFFECTIVE DATE: 12/01/99

PURPOSE

This memo provides instructions about how to treat the state's sales tax rebate for Wisconsin Works (W-2), Food Stamps (FS) and Child Care (CC). It also provides an update about plans for its treatment in Medical Assistance/BadgerCare (Medicaid/MA/BC).

BACKGROUND

1999 Wisconsin Act 10 provides for a one-time rebate payment of Wisconsin sales taxes. Issuance of these payments is anticipated to be in January, 2000. The average payment is \$271.

Section 6 of the Act gives specific directions for the treatment of these payments in state- and federally-funded programs.

WISCONSIN WORKS

Disregard the payment as both income and asset in the month of receipt and the month immediately after the month of receipt for all members of the W-2 group.

CHILD CARE

Disregard the payment as both income and asset in the month of receipt and the month immediately after the month of receipt for all members of the W-2 group.

FOOD STAMPS

Income: Disregard the payment (see FSH 12.2.11).

Asset: Count the payment as an asset beginning with the month of receipt (see FSH 11.4.29). Because you are to budget only prospectively, this rebate will likely have no affect on eligibility.

MEDICAL ASSISTANCE

The Act requires the Department of Health & Family Services to request a waiver from federal authorities, permitting the disregard of these tax rebates. When a reply has been received to the request, we will provide you with further instructions.